DOCUMENT RESUME

ED 461 644 SP 040 488

AUTHOR Gaines, Gale
TITLE Focus on Teacher Salaries: What Teacher Salary Averages Don't Show.
INSTITUTION Southern Regional Education Board, Atlanta, GA.
PUB DATE 2000-10-00
NOTE 5p.; For related reports on teacher salary, see SP 040 487 and 489.
AVAILABLE FROM Southern Regional Education Board 592 10th Street, N.W., Atlanta, GA 30318. Tel: 404-875-9211. Web site: http://www.sreb.org.
PUB TYPE Reports - Descriptive (141)
EDRS PRICE MF01/PC01 Plus Postage.
DESCRIPTORS Educational Finance; Educational Quality; Elementary Secondary Education; State Government; Teacher Competencies; *Teacher Salaries
IDENTIFIERS Southern Regional Education Board

ABSTRACT

Traditional comparisons of teacher salary averages fail to consider factors beyond pay raises that affect those averages. Salary averages do not show: regional and national variations among states' average salaries; the variation of salaries within an individual state; variations in the cost of living; the highest degree earned by teachers and the proportions of different degrees; teachers' years of experience; the effects of retirement patterns; the expanding numbers of teachers; the length of teachers' contracts; the cost of employee benefits; and priorities for quality. This paper recommends that states use other measures besides salary averages to determine whether teacher salaries are competitive and are meeting goals. If the goal is to ensure a quality teacher in every classroom, state leaders must look beyond the statewide average salary to find the roadblocks to achieving that goal. They must consider the many factors affecting salary averages and examine how salary decisions can support state priorities for quality. (SM)

Reproductions supplied by EDRS are the best that can be made from the original document.

ED 461 644

SREB

Gale Gaines

1

U.S. DEPARTMENT OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)
☐ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.
• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

Focus *on Teacher Salaries:*

What Teacher Salary Averages Don't Show

We hear and read a lot about salary averages for teachers in different states and school districts. Salary averages are used to compare progress on goals from year to year, and states often are ranked based on these averages. This information is important, but there are some very important facts that salary averages don't show.

Education goals set in the 1980s called for competitive salaries — linked to performance measures and standards. Few states have tied salary decisions to state priorities, such as raising student achievement and ensuring that there is a quality teacher in every classroom. However, most SREB states emphasized better pay for classroom teachers as part of comprehensive educational reforms in the 1980s and 1990s. Many states set goals: raising salaries to the national or regional average; increasing pay by a certain amount or percentage; improving beginning pay; or tying raises to increases in revenue or spending. While these goals are important, traditional comparisons of salary averages fail to consider factors beyond pay raises that affect those averages. What don't salary averages show?

■ Salary averages don't show regional and national variations among states' average salaries.

It may seem logical that half of the states have average teacher salaries above the national average and half have average teacher salaries below that level. Actually, only 15 states nationwide have average teacher salaries that are *above* the national average. The other 35 states (including 14 of the 16 SREB states) have average teacher salaries *below* the national average. It also is important to consider the tremendous variation among states' average salaries. The SREB state with the lowest average (Mississippi) and the SREB state with the highest average (Delaware) differ by 46 percent. Nationwide, the variation is 80 percent — from a low of $28,600 in South Dakota to a high of $51,600 in Connecticut.

■ Salary averages don't show the variation of salaries within an individual state.

Districts' salary averages within a state can vary as much as or more than salary averages among states. In one SREB state, the difference between the district with the lowest average ($26,364) and the district with the highest average ($49,559) is 88 percent.

October 2000

Southern
Regional
Education
Board

592 10th St. N.W.
Atlanta, GA 30318
(404) 875-9211
www.sreb.org

SO 030 656

The Southern Regional Education Board Focus *series will report on timely education issues.*

BEST COPY AVAILABLE

- **Salary averages don't show variations in the cost of living.**

  It costs more to live in some places than in others, and this cost varies among states and communities. According to the American Federation of Teachers, the SREB states' cost-of-living averages vary from 106 percent of the national average in Maryland to 88 percent of the national average in Arkansas. More than two-thirds of the SREB states have cost-of-living averages below 92 percent of the national average. Nationally, Hawaii's cost of living is highest (133 percent of the national average) and Arkansas' is lowest. Costs of living within states also can vary greatly. In fact, the differences within states can be greater than the variations among states.

- **Salary averages don't show the highest degrees earned by teachers and the proportions of different degrees.**

  Pay often is linked to the highest degree earned. Each state has a different mix of teachers with bachelor's, master's and doctoral degrees. Teachers with bachelor's degrees are paid less than teachers with advanced degrees and similar years of experience. Among SREB states, the percentages of teachers whose highest degrees are bachelor's degrees range from about 23 percent in Kentucky to 70 percent in Texas. Nationally, 52 percent of teachers have no more than bachelor's degrees; the percentages range from 20 percent in Connecticut to 79 percent in North Dakota.

- **Salary averages don't show teachers' years of experience.**

  Teacher pay increases with years of experience, and experience levels differ significantly from state to state. Two states could have the same salary schedule but different salary averages because one state has a higher percentage of teachers who have more than 20 years' experience. Among SREB states, Delaware and Maryland have the highest percentage (32 percent) of teachers with more than 20 years of experience, while Texas has the lowest percentage (20 percent). The national average of teachers with more than 20 years of full-time teaching experience is 30 percent, ranging from 18 percent in Utah to 44 percent in the District of Columbia.

- **Salary averages don't show the effects of retirement patterns.**

  When teachers retire, salary averages can decline. Teachers who retire most likely are at the top end of the pay schedule and often are replaced with less-experienced, lower-paid teachers. As a result, salary averages tend to drop. During the recession in the early 1990s, the average salaries in two SREB states declined one year because there were no general pay raises and many teachers retired.

- **Salary averages don't show the expanding numbers of teachers.**

  Adding more teachers at lower salary levels obviously can affect a state's average salary for teachers. Just as retired teachers often are replaced with lower-paid, less-experienced teachers, new teaching positions (created because of policies to reduce class sizes or other initiatives) can go to young

teachers. In the last 10 years, SREB states have added 227,000 new teaching positions. Florida, Georgia, North Carolina, Texas and Virginia have increased their teaching forces by more than 25 percent.

- **Salary averages don't show the length of teachers' contracts.**

  Not all teachers are paid for the same number of days annually. Teachers in Alabama are paid for 182 days each year, while those in North Carolina are paid for 220 days annually — a difference of more than 20 percent. Policies on vacation, personal leave and sick leave also differ, so the actual number of days that teachers work can vary significantly.

- **Salary averages don't show the cost of employee benefits.**

  Information on benefits is not part of salary averages and is not reported widely. Employer contributions for retirement, health insurance and other benefits are part of teachers' total compensation. These contributions can vary greatly among states and districts; *differences can amount to hundreds — and even thousands — of dollars based on the same salary.*

- **Salary averages don't show priorities for quality.**

  Raising the achievement of all students requires a quality teacher in every classroom. States have various salary policies to attract high-quality graduates of teacher education programs; to draw good teachers into subjects and geographic areas in which there are shortages; and to encourage the best teachers to remain in the classroom. These policies can raise individual teachers' salaries by thousands of dollars. For example, efforts to attract new teachers can raise a state's average starting pay. Beginning teachers' pay in the region ranges from an average of $21,300 in Arkansas to $29,981 in Delaware — a difference of 41 percent. Nationally, beginning salaries range from $19,100 in North Dakota to $32,900 in Alaska. States also hope to attract the best teachers by offering bonuses for those who achieve national certification. In SREB states that have begun these incentive programs, annual bonuses range from $1,000 to $7,500.

Most people acknowledge the benefits of setting goals and tracking progress. While comparisons of salary averages can be useful, it is time to think about salaries differently. Considering the amount of things that salary averages *don't* tell, states also should use other measures in determining whether teacher salaries are competitive and are meeting goals.

If the goal is to ensure that there is a quality teacher in every classroom, state leaders need to look beyond the statewide average salary to find the roadblocks to achieving that goal: Are beginning salaries high enough to attract high-quality graduates, particularly in subjects or geographic areas in which there are shortages? Do salaries, incentives and opportunities encourage the best teachers to remain in classrooms? Does the state know when and why teachers are most likely to leave their jobs? What role can salary adjustments play in keeping good teachers? State leaders need to consider many factors that affect salary averages and to look at how salary decisions can support state priorities for quality.

References

American Federation of Teachers. *Survey and Analysis of Teacher Salary Trends 1999.* Washington, D.C.: American Federation of Teachers, 2000.

Gaines, Gale F. *Teacher Salaries and State Priorities for Education Quality — A Vital Link.* Atlanta: Southern Regional Education Board, 2000.

National Center for Education Statistics. *Digest of Education Statistics 1999.* Washington, D.C.: U.S. Department of Education, Office of Education Research and Improvement, 2000.

National Education Association. *Rankings & Estimates: Rankings of the States 1999 and Estimates of School Statistics 2000.* Washington, D.C.: National Education Association, 1999.